UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)
May 1, 2008 (May 1, 2008)

St. Mary Land & Exploration Company
(Exact name of registrant as specified in its charter)

Delaware	001-31539	41-0518430
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1776 Lincoln Street, Suite 700, Denver, Colorado	80203
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (303) 861-8140

Not applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

[_] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[_] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[_] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[_] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

In accordance with General Instruction B.2. of Form 8-K, the following information, including Exhibits 99.1 and 99.2, shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall such information and Exhibits be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On May 1, 2008, St. Mary Land & Exploration Company (the "Company”) issued a press release announcing its results of operations for the first quarter of 2008. A copy of the press release is furnished as Exhibit 99.1 to this report. As indicated in the press release, the Company has scheduled the first quarter 2008 earnings teleconference call for May 2, 2008, at 8:00 a.m. (Mountain Time). The teleconference call is publicly accessible, and the press release includes instructions as to when and how to access the teleconference and the location on the Company’s web site where the teleconference information will be available.

The press release contains information about the Company’s discretionary cash flow, which is a “non-GAAP financial measure” under SEC rules. The press release also presents information about the Company’s net cash provided by operating activities, which is the most directly comparable GAAP financial measure, and contains a reconciliation of discretionary cash flow to net cash provided by operating activities for the periods presented, a presentation of other cash flow information under GAAP, and a statement indicating why management believes that the presentation of discretionary cash flow provides useful information to investors.

The press release contains information about the Company’s adjusted net income, which is a “non-GAAP financial measure” under SEC rules. The press release also presents information about the Company’s net income, which is the most directly comparable GAAP financial measure, and contains a reconciliation of net income to adjusted net income for the periods presented and a statement indicating why management believes that the presentation of adjusted net income provides useful information to investors.

Additionally, on May 1, 2008, the Company issued a separate press release updating its full-year 2008 guidance, and providing an update of its significant operations. A copy of the press release is furnished as Exhibit 99.2 to this report.

Item 9.01 Financial Statements and Exhibits.

(d)	Exhibits.	The following exhibits are furnished as part of this report:
	Exhibit 99.1	Press release of St. Mary Land & Exploration Company dated May 1, 2008.
	Exhibit 99.2	Press release of St. Mary Land & Exploration Company dated May 1, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ST. MARY LAND & EXPLORATION COMPANY

Date:	May 1, 2008	By:	/s/ MARK T. SOLOMON
			Mark T. Solomon
			Controller

Exhibit 99.1

For Information
Brent A. Collins
303-861-8140

FOR IMMEDIATE RELEASE

ST. MARY REPORTS RESULTS FOR FIRST QUARTER OF 2008

- ***Company reports net income of $96.0 million, or $1.50 per diluted share***
- ***Adjusted net income per diluted share of $1.15***
- ***Quarterly production of 28.3 BCFE exceeds guidance of 27.0 – 28.0 BCFE, driven by strong results in the ArkLaTex and Permian regions***
- ***Divestiture of non-core properties drives production expense below guidance***

DENVER, May 1, 2008– St. Mary Land & Exploration Company (NYSE: SM) today reports financial results from the first quarter of 2008.

MANAGEMENT COMMENTARY

Tony Best, President and CEO, commented, "St. Mary had a successful first quarter of 2008. We performed well operationally, as evidenced by our better than anticipated production and lease operating cost results. Our divestiture of non-core properties was successfully executed, which allows us to focus on key growth projects and helps improve our cost structure. We have posted strong earnings and cash flow numbers, which are a result of our execution on our business plan, the growth and improvement of our portfolio, and strong commodity prices. I am very pleased with how the Company is positioned entering the second quarter."

FIRST QUARTER 2008 RESULTS

Earnings for the first quarter of 2008 were $96.0 million, or $1.50 per diluted share, which included an after-tax gain of $35.3 million related to the sale of non-strategic assets that closed on January 31, 2008. This compared to $40.0 million, or $0.63 per diluted share, for the same period in the prior year. Adjusted net income, which adjusts for significant non-recurring and non-cash items, was $73.6 million or $1.15 per diluted share, for the quarter versus $45.5 million, or $0.71 per diluted share, for the first quarter of 2007. Discretionary cash flow increased to $198.0 million for the first quarter of 2008 from $141.5 million in the same period of the preceding year. Net cash provided by operating activities increased to $142.5 million for the first quarter of 2008 from $126.1 million in the same period in 2007. Adjusted net income and discretionary cash flow are non-GAAP financial measures – please refer to the respective reconciliation in the accompanying Financial Highlights section at the end of this release.

Revenues for the quarter were $362.1 million compared to $221.0 million for the same period in 2007. The Company's oil and gas production exceeded guidance for the first quarter of 2008 due to stronger than budgeted performance in the ArkLaTex and Permian regions. Reported daily oil and gas production for the quarter increased 10% year over year to an average of 311.5 MMCFED in the first quarter of 2008 from 283.1 MMCFED in the first quarter of 2007. Excluding the properties that were sold in the January 2008 divestiture, total oil and gas production from the retained properties increased 15% year over year. St. Mary's operating margin increased to $7.26 per MCFE for the quarter, up 26% from $5.78 per MCFE in the first quarter of 2007.

Average realized prices, inclusive of hedging activities, were $8.69 per Mcf and $76.24 per barrel in the first quarter of 2008, which is an increase of 8% and 45%, respectively, from the same period a year ago. Average prices, excluding hedging activities, were $8.53 per Mcf and $92.33 per barrel during the quarter. These were 25% and 75% higher, respectively, than the first quarter of 2007.

Lease operating and transportation expense was lower than guidance and decreased 9% between the first quarters of 2007 and 2008 on a per MCFE basis. A key driver of this improved performance was the divestiture of non-strategic properties in January of 2008. The divested properties were a relatively small portion of the production base, but they had a higher operating and workover cost structure compared to the retained assets. The increase in depletion and depreciation expense between the two periods reflects the higher finding cost environment experienced by the industry in recent years to acquire and develop properties. General and administrative expense came in below guidance for the quarter as a result of lower than budgeted stock compensation expense as well as a higher than forecasted allocation of compensation to exploration expense. Year over year, general and administrative expense increased as a result of increased headcount and larger Net Profits Plan payments. The increase in the expense recognized in the first quarter of 2008 related to the change in the Net Profits Plan liability is the result of commodity prices increasing during the quarter.

CURRENT FINANCIAL POSITION

As of March 31, 2008, St. Mary had total long-term debt of $564.0 million, comprised of $287.5 million in 3.50% Senior Convertible Notes and $276.5 million drawn under our existing long-term credit facility. The Company's debt to book capitalization ratio as of the end of the quarter was 41%. Currently, the Company has a borrowing base of $1.4 billion and a commitment amount of $500 million under its credit facility.

EARNINGS CALL INFORMATION

The Company has scheduled a teleconference call to discuss first quarter 2008 earnings results on May 2, 2008, at 8:00 am (Mountain Time). The call participation number is 888-424-5231. A digital recording of the conference call will be available two hours after the completion of the call, 24 hours per day through May 16, 2008, at 800-642-1687, conference number 44042108. International participants can dial 706-634-6088 to take part in the conference call and can access a replay of the call at 706-645-9291, conference number 44042108. In addition, the call will be broadcast live through St. Mary's website at www.stmaryland.com and the earnings press release and financial highlights will be available before the call. An audio recording of the conference call will be available at that site through May 16, 2008.

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
March 31, 2008
(Unaudited)

Production Data:

	For the Three Months Ended March 31, 2008	For the Three Months Ended March 31, 2007	Percent Change
Average realized sales price, before hedging:			
Oil (per Bbl)	$ 92.33	$ 52.61	75%
Gas (per Mcf)	$ 8.53	$ 6.82	25%
Average realized sales price, net of hedging:			
Oil (per Bbl)	$ 76.24	$ 52.62	45%
Gas (per Mcf)	$ 8.69	$ 8.04	8%
Production:			
Oil (MMBbls)	1.67	1.71	-2%
Gas (Bcf)	18.34	15.22	21%
BCFE (6:1)	28.35	25.48	11%
Daily production:			
Oil (MBbls per day)	18.3	19.0	-4%
Gas (MMcf per day)	201.6	169.1	19%
MMCFE per day (6:1)	311.5	283.1	10%
Margin analysis per MCFE:			
Average realized sales price, before hedging	$ 10.95	$ 7.60	44%
Average realized sales price, net of hedging	$ 10.11	$ 8.34	21%
Lease operating expense and transportation	1.38	1.51	-9%
Production taxes	0.72	0.54	33%
General and administrative	0.75	0.51	47%
Operating margin	$ 7.26	$ 5.78	26%
Depletion, depreciation, amortization, and asset retirement obligation liability accretion	$ 2.48	$ 1.92	29%

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
March 31, 2008
(Unaudited)

Consolidated Statements of Operations

(In thousands, except per share amounts)	For the Three Months Ended March 31, 2008	2007
Operating revenues:		
Oil and gas production revenue	$ 310,432	$ 193,706
Realized oil and gas hedge gain (loss)	(23,950)	18,684
Marketed gas system and other operating revenue	19,603	8,616
Gain on sale of proved properties	56,017	-
Total operating revenues	362,102	221,006
Operating expenses:		
Oil and gas production expense	59,476	52,320
Depletion, depreciation, amortization and asset retirement obligation liability accretion	70,354	48,959
Exploration (1)	14,308	19,019
Abandonment and impairment of unproved properties	1,008	1,484
General and administrative (1)	21,128	12,891
Change in Net Profits Plan liability	13,626	4,965
Marketed gas system and other operating expense	18,445	7,952
Unrealized derivative loss	6,417	3,904
Total operating expenses	204,762	151,494
Income from operations	157,340	69,512
Nonoperating income (expense):		
Interest income	97	103
Interest expense	(4,971)	(6,053)
Income before income taxes	152,466	63,562
Income tax expense	56,470	23,612
Net income	**$ 95,996**	**$ 39,950**
Basic weighted-average common shares outstanding	62,861	57,011
Diluted weighted-average common shares outstanding	64,045	64,908
Basic net income per common share	**$ 1.53**	**$ 0.70**
Diluted net income per common share	**$ 1.50**	**$ 0.63**

(1) As a result of a change in circumstances in 2007, the Company began classifying all payments made under the Net Profits Plan to exploration overhead only for those individuals who are currently employed by St. Mary and who continue to be involved in the Company's exploration efforts. This change was made to reflect current distributions being made and accrued for under the Net Profits Plan for former employees as being fully allocated to general and administrative expense since there is no longer any functional link to geologic and geophysical or exploration related work by those former employees. The entire impact for 2007 was recorded in the fourth quarter. The quarterly financial information presented for 2007 throughout the unaudited consolidated financial statements has been reclassified to reflect the change. The reclassification had no impact on total operating expenses, income from operations, income before income taxes, net income, basic net income per common share, or diluted net income per common share as it was solely a reclassification between two line items within the consolidated statements of operations. Refer to Note 14 of Part II, Item 8 within the 2007 Form 10-K/A for additional discussion.

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
March 31, 2008
(Unaudited)

Consolidated Balance Sheets
(In thousands, except share amounts)

ASSETS	March 31, 2008	December 31, 2007
Current assets:		
Cash and cash equivalents	$ 7,511	$ 43,510
Short-term investments	1,187	1,173
Accounts receivable	200,385	159,149
Refundable income taxes	-	933
Prepaid expenses and other	12,022	14,129
Accrued derivative asset	1,181	17,836
Deferred income taxes	58,956	33,211
Total current assets	281,242	269,941
Property and equipment (successful efforts method), at cost:		
Proved oil and gas properties	2,851,809	2,721,229
Less - accumulated depletion, depreciation, and amortization	(823,410)	(804,785)
Unproved oil and gas properties, net of impairment allowance of $9,554 in 2008 and $10,319 in 2007	153,148	134,386
Wells in progress	146,932	137,417
Oil and gas properties held for sale less accumulated depletion, depreciation, and amortization	27,181	76,921
Other property and equipment, net of accumulated depreciation of $11,940 in 2008 and $11,549 in 2007	9,755	9,230
	2,365,415	2,274,398
Noncurrent assets:		
Goodwill	9,452	9,452
Accrued derivative asset	1,744	5,483
Other noncurrent assets	12,434	12,406
Total noncurrent assets	23,630	27,341
Total Assets	**$ 2,670,287**	**$ 2,571,680**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 285,481	$ 254,918
Accrued derivative liability	156,345	97,627
Deposit associated with oil and gas properties held for sale	-	10,000
Total current liabilities	441,826	362,545
Noncurrent liabilities:		
Long-term credit facility	276,500	285,000
Senior convertible notes	287,500	287,500
Asset retirement obligation	100,171	96,432
Asset retirement obligation associated with oil and gas properties held for sale	1,104	8,744
Net Profits Plan liability	225,032	211,406
Deferred income taxes	289,050	257,603
Accrued derivative liability	235,795	190,262
Other noncurrent liabilities	9,813	8,843
Total noncurrent liabilities	1,424,965	1,345,790
Stockholders' equity:		
Common stock, $0.01 par value: authorized - 200,000,000 shares; issued: 61,501,825 shares in 2008 and 64,010,832 shares in 2007; outstanding, net of treasury shares: 61,301,725 shares in 2008 and 63,001,120 shares in 2007	615	640
Additional paid-in capital	64,923	170,070
Treasury stock, at cost: 200,100 shares in 2008 and 1,009,712 shares in 2007	(2,804)	(29,049)
Retained earnings	971,570	878,652
Accumulated other comprehensive loss	(230,808)	(156,968)
Total stockholders' equity	803,496	863,345
Total Liabilities and Stockholders' Equity	**$ 2,670,287**	**$ 2,571,680**

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
March 31, 2008
(Unaudited)

Consolidated Statements of Cash Flows

(In thousands)

	For the Three Months Ended March 31, 2008	For the Three Months Ended March 31, 2007
Cash flows from operating activities:		
Reconciliation of net income to net cash provided by operating activities:		
Net income	$ 95,996	$ 39,950
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sale of proved properties	(56,017)	-
Depletion, depreciation, amortization, and asset retirement obligation liability accretion	70,354	48,959
Exploratory dry hole expense	690	9,569
Abandonment and impairment of unproved properties	1,008	1,484
Unrealized derivative loss	6,417	3,904
Change in Net Profits Plan liability	13,626	4,965
Stock-based compensation expense (2)	3,310	2,967
Deferred income taxes	50,089	21,237
Other	3,627	(125)
Changes in current assets and liabilities:		
Accounts receivable	(41,236)	7,762
Refundable income taxes	933	-
Prepaid expenses and other	(336)	2,319
Accounts payable and accrued expenses	(5,142)	(16,003)
Income tax benefit from the exercise of stock options	(860)	(913)
Net cash provided by operating activities	**142,459**	**126,075**
Cash flows from investing activities:		
Proceeds from sale of oil and gas properties	130,400	324
Capital expenditures	(161,306)	(135,183)
Acquisition of oil and gas properties	(53,031)	(1,186)
Other	(10,007)	16
Net cash used in investing activities	**(93,944)**	**(136,029)**
Cash flows from financing activities:		
Proceeds from credit facility	389,000	19,000
Repayment of credit facility	(397,500)	(3,000)
Repayment of short-term note payable	-	(4,469)
Income tax benefit from the exercise of stock options	860	913
Proceeds from sale of common stock	328	779
Repurchase of common stock	(77,202)	-
Net cash provided by (used in) financing activities	**(84,514)**	**13,223**
Net change in cash and cash equivalents	(35,999)	3,269
Cash and cash equivalents at beginning of period	43,510	1,464
Cash and cash equivalents at end of period	**$ 7,511**	**$ 4,733**

(2) Stock-based compensation expense is a component of exploration expense and general and administrative expense on the consolidated statements of operations. During the periods ended March 31, 2008, and 2007, respectively, $1.1 million and $1.0 million of stock-based compensation expense was included in exploration expense. During the periods ended March 31, 2008, and 2007, respectively, $2.2 million and $1.9 million of stock-based compensation expense was included in general and administrative expense.

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
March 31, 2008
(Unaudited)

Adjusted Net Income

(In thousands, except per share data)

Reconciliation of Net Income (GAAP) to Adjusted Net Income (Non-GAAP):	**For the Three Months Ended March 31, 2008**	**2007**
Reported Net Income (GAAP)	$ 95,996	$ 39,950
Change in Net Profits Plan liability	13,626	4,965
Unrealized derivative loss	6,417	3,904
Gain on sale of proved properties	(56,017)	-
Loss on insurance settlement (3)	480	-
Total of adjustments	(35,494)	8,869
Tax effect on adjustments	13,146	(3,295)
Adjusted Net Income (Non-GAAP) (4)	$ 73,648	$ 45,524
Adjusted Net Income Per Share (Non-GAAP)		
Basic	$ 1.17	$ 0.80
Diluted	$ 1.15	$ 0.71
Average Number of Shares Outstanding		
Basic	62,861	57,011
Diluted	64,045	64,908

(3) Included within line item marketed gas system and other operating revenue on the consolidated statements of operations.

(4) Adjusted net income is calculated as net income adjusted for significant non-cash and non-recurring items. Examples of non-cash charges include non-cash gains or losses resulting from changes in the Net Profits Plan liability and unrealized derivative gains and losses. Examples of non-recurring items include gains on sale of proved properties and loss on insurance settlement. The non-GAAP measure of adjusted net income is presented because management believes it provides useful additional information to investors for analysis of St. Mary's fundamental business on a recurring basis. In addition, management believes that adjusted net income is widely used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in the oil and gas exploration and production industry, and many investors use the published research of industry research analysts in making investment decisions. Adjusted net income should not be considered in isolation or as a substitute for net income, income from operations, cash provided by operating activities or other income, profitability, cash flow, or liquidity measures prepared under GAAP. Since adjusted net income excludes some, but not all, items that affect net income and may vary among companies, the adjusted net income amounts presented may not be comparable to similarly titled measures of other companies.

ST. MARY LAND & EXPLORATION COMPANY
FINANCIAL HIGHLIGHTS
March 31, 2008
(Unaudited)

Discretionary Cash Flow
(In thousands)

Reconciliation of Net Cash Provided by Operating Activities (GAAP) to Discretionary Cash Flow (Non-GAAP):

	For the Three Months Ended March 31,	
	2008	**2007**
Net cash provided by operating activities (GAAP)	$ 142,459	$ 126,075
Exploration (1)	14,308	19,019
Less: Exploratory dry hole expense	(690)	(9,569)
Less: Stock-based compensation expense included in exploration	(1,069)	(1,004)
Other	(3,627)	125
Changes in current assets and liabilities	46,641	6,835
Discretionary cash flow (Non-GAAP) (5)	$ 198,022	$ 141,481

(5) Discretionary cash flow is computed as net income adjusted for depreciation, depletion, amortization, asset retirement obligation liability accretion, impairments, deferred taxes, exploration expense, stock-based compensation expense, non-cash changes in the Net Profits Plan liability, and the effect of unrealized derivative gains and loss. The non-GAAP measure of discretionary cash flow is presented since management believes that it provides useful additional information to investors for analysis of St. Mary's ability to internally generate funds for exploration, development, and acquisitions. In addition, discretionary cash flow is widely used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in the oil and gas exploration and production industry, and many investors use the published research of industry research analysts in making investment decisions. Discretionary cash flow should not be considered in isolation or as a substitute for net income, income from operations, net cash provided by operating activities or other income, profitability, cash flow, or liquidity measures prepared under GAAP. Since discretionary cash flow excludes some, but not all items that affect net income and net cash provided by operating activities and may vary among companies, the discretionary cash flow amounts presented may not be comparable to similarly titled measures of other companies. See the Consolidated Statements of Cash Flows herein for more detailed cash flow information.

Exhibit 99.2

For Information
Brent A. Collins
303-861-8140

FOR IMMEDIATE RELEASE

ST. MARY PROVIDES OPERATIONS AND GUIDANCE UPDATE

- ***Full year production guidance range increased to 108.5 to 112.5 BCFE***
- ***Capital budget expanded based on positive results***
- ***Permitting of wells in the North Dakota Bakken play announced***
- ***Assessed exposure to Haynesville shale acreage increased to 50,000 net acres***

DENVER, May 1, 2008 – St. Mary Land & Exploration Company (NYSE: SM) today provides an update of the Company's significant operations and financial guidance.

During the first quarter of 2008, St. Mary participated in the completion of over 120 drilling and recompletion projects, not including coalbed methane operations. The Company had between 13 and 15 rigs operating throughout the quarter. The Company also invested approximately $53 million in the acquisition of proved and unproved oil and natural gas properties, the majority of which relates to Cotton Valley drilling inventory in East Texas. Operations for 2008 are proceeding on or ahead of plan. During the quarter the Company made progress in several key plays that are expected to generate further growth opportunities.

MANAGEMENT COMMENTS

Tony Best, President and CEO, commented, "I am pleased with the growth and performance of our inventory. The Woodford shale in the Arkoma Basin, the Cotton Valley sand and Haynesville shale plays in the ArkLaTex, and the North Dakota Bakken are some of the most active and exciting areas in the oil and gas industry currently, and St. Mary has meaningful exposure to all of them. Our operating teams are doing a great job managing our current assets, as demonstrated by lower per unit LOE in the first quarter and our increase to production guidance for the full year. We continue to focus on expanding our inventory and executing on our business plan – we are off to a great start this year and I believe the outlook for the remainder of the year is bright."

HORIZONTAL WOODFORD PROGRAM UPDATE

In the Woodford Shale, St. Mary continues to see positive results in the play. Well results are improving and the Company's costs to drill and complete operated wells are better than the costs of industry peers. The average estimated ultimate recovery (EUR) for the last 10 operated wells with meaningful production data is 2.7 BCFE to 3.0 BCFE. On the cost front, the Company's three most recent wells were drilled and completed for between $4.0 and $4.4 million per well. These wells had laterals approximately 3,600 feet in length and utilized the multistage fracture stimulations that are common throughout the play. During the quarter, the Company announced that it was increasing budgeted capital investment in the Woodford shale by $20 million dollars, which allows for two rigs to run continuously throughout the year with a third rig operating periodically.

ARKLATEX REGION UPDATE

St. Mary continues to be active in its operated Cotton Valley program at Carthage Field in East Texas. The Company's second horizontal well in the program is currently drilling and targets the Taylor sand of the Cotton Valley formation. The first horizontal well drilled by St. Mary, the Boise Southern 1-H (SM 98% WI), has averaged 4.0 MMCF per day with minimal decline for the last month. As previously announced, St. Mary expects to drill 6 horizontal and 14 vertical wells at Carthage Field through the rest of the year utilizing a multi-rig program. The Company plans to drill its first well on acreage from the previously announced bolt-on acquisition in the Carthage area in the second quarter. St. Mary also continues to see encouraging results from its participation in both horizontal and vertical drilling and recompletion activities at Elm Grove Field in Bossier Parish, Louisiana.

Several operators have made comments recently regarding the potential of the Haynesville shale. Most of those operators have discussed an area in northern Louisiana centered in Caddo, De Soto, and Bossier Parishes. St. Mary has previously disclosed that it owns roughly 10,000 net acres in this general area. After conducting a more thorough review of its acreage position, the Company has determined that it is exposed to roughly 50,000 net acres with Haynesville shale potential throughout the broader ArkLaTex region.

NORTH DAKOTA BAKKEN ACTIVITY

St. Mary announces that it has permitted 22 wells in the North Dakota Bakken play, including 21 wells in the Powers Lake prospect area that straddles Mountrail and Burke Counties in North Dakota. St. Mary has increased its leasehold in the North Dakota Bakken to approximately 37,000 net acres. Activity in the play has been moving toward the Company's land position and drilling activity is underway around our acreage. The Company plans to drill two to three wells in the second half of 2008.

CAPITAL INVESTMENT UPDATE

The Company's current capital investment budget by region for exploration and development activities is as follows:

	Exploration & Development Capital ($ in millions)
ArkLaTex	$ 161
Mid-Continent	155
Permian	132
Rocky Mountain	130
Gulf Coast	83
TOTAL	$ 661

The budget above includes an additional $20 million in the Mid-Continent region for increased drilling in the horizontal Woodford shale in the Arkoma Basin, as well as additional capital for testing of the Pearsall shale in South Texas and additional leasehold in West Texas.

PERFORMANCE GUIDANCE UPDATE

The Company's guidance for the second quarter and the full year of 2008 is as follows:

	2nd Quarter	Full Year
Oil and gas production	26.0 – 27.0 Bcfe	108.5 – 112.5 Bcfe
Lease operating expenses	$1.44 - $1.48/Mcfe	$1.40 - $1.45/Mcfe
Production taxes	$0.87 - $0.91/Mcfe	$0.84 - $0.88/Mcfe
General and administrative expense	$0.79 - $0.83/Mcfe	$0.80 - $0.84/Mcfe
Depreciation, depletion & amort.	$2.49 - $2.54/Mcfe	$2.53 - $2.58/Mcfe

Production – The increase in oil and gas production guidance for the full year is due to the planned increase in capital investment in the horizontal Woodford shale program, the previously announced bolt-on acquisitions in the Carthage Field in East Texas, and increased production from recently completed wells on our fee lands in South Louisiana and offshore Gulf Coast. Offsetting these increases to the production forecast are reductions totaling approximately 1.0 BCFE related to minor divestitures in the Rocky Mountain and Gulf Coast regions that will impact the remainder of 2008.

There are no presumed production volumes from future acquisitions included in the guidance above.

Lease operating expenses – St. Mary is leaving full year lease operating expense guidance unchanged. The previously disclosed divestiture of non-core properties in January of 2008 removed a number of properties that had higher operating and reworking cost structures than the remaining assets in the portfolio. Management believes that it will continue to see benefits to St. Mary's cost structure as a result of this divestiture through 2008. Management also recognizes that there are a number of upward pressures to operating costs resulting from strong commodity prices and increased activity in the industry that could drive costs to the upper end of the guidance range.

General and administrative expense – The increase in general and administrative expense is the result of forecasted increases in expenditures that are strongly linked to profitability and commodity prices. There also continues to be upward pressure on compensation related costs as a result of the highly competitive state of the industry.

Recognition of general and administrative expense will be weighted more heavily to the second half of 2008 as a result of timing changes related to the Company's previously announced long-term Performance Share Plan. Based on the expected timing of the initial awards, the expense will begin to be recognized in the second half of 2008 as opposed to being recognized over the full year as was initially forecasted.

Income Taxes – Realized and forecasted commodity prices are higher currently than when the Company's initial financial guidance was issued on January 31, 2008. As a result of these higher prices, St. Mary now expects cash taxes will comprise between 25% and 30% of income tax expense for the remainder of the year. The Company estimates that its effective tax rate will be between 36% and 37% for the remainder of 2008.

Hedging Update **–** Below is an updated summary hedging schedule for the Company. All the prices in the table below have been converted to a NYMEX equivalent for ease of comparison using current quality and transportation differentials. The majority of the oil trades are settled against NYMEX. The gas contracts have been executed to settle against regional delivery points that correspond with the Company's production areas, thereby reducing basis risk. For detailed schedules on the Company's hedging program, please refer to the Form 10-Q for the period ended March 31, 2008, which is expected to be filed with the Securities and Exchange Commission on or about May 2, 2008.

Oil Swaps - NYMEX Equivalent

	Bbls		$/Bbl
2008			
Q2	546,000	$	72.01
Q3	526,000	$	72.19
Q4	466,000	$	71.83
2009	1,570,000	$	71.64
2010	1,239,000	$	66.47
2011	1,032,000	$	65.36

Oil Collars - NYMEX Equivalent

	Bbls		Floor $/Bbl		Ceiling $/Bbl
2008					
Q2	498,000	$	57.08	$	77.27
Q3	514,000	$	57.86	$	78.08
Q4	519,000	$	58.19	$	78.43
2009	1,526,000	$	50.00	$	67.31
2010	1,367,500	$	50.00	$	64.91
2011	1,236,000	$	50.00	$	63.70

Natural Gas Swaps - NYMEX Equivalent

	MMBTU		$/MMBTU
2008			
Q2	3,470,000	$	8.55
Q3	5,230,000	$	8.96
Q4	5,810,000	$	9.72
2009	19,930,000	$	9.14
2010	8,370,000	$	8.50
2011	1,200,000	$	7.68

Natural Gas Collars - NYMEX Equivalent

	MMBTU		Floor $/MMBTU		Ceiling $/MMBTU
2008					
Q2	1,820,000	$	7.68	$	10.83
Q3	3,737,500	$	8.49	$	11.18
Q4	3,957,500	$	8.83	$	11.46
2009	9,110,000	$	6.86	$	10.86
2010	7,825,000	$	6.52	$	8.81
2011	6,625,000	$	6.21	$	7.45

Natural Gas Liquid Swaps - Mont. Belvieu

	Bbls		$/Bbl
2008			
Q2	170,738	$	39.53
Q3	194,694	$	39.28
Q4	219,004	$	38.73
2009	638,159	$	38.77
2010	8,021	$	45.60
2011	1,129	$	45.15

INFORMATION ABOUT FORWARD LOOKING STATEMENTS

This release contains forward looking statements within the meaning of securities laws, including forecasts and projections. The words “will,” “believe,” ”budget,” “anticipate,” “intend,” “estimate,” “forecast,” ”plan,” and “expect” and similar expressions are intended to identify forward looking statements. These statements involve known and unknown risks, which may cause St. Mary’s actual results to differ materially from results expressed or implied by the forward looking statements. These risks include such factors as the volatility and level of oil and natural gas prices, the uncertain nature of the expected benefits from the acquisition and divestiture of oil and gas properties, uncertainties inherent in projecting future rates of production from drilling activities and acquisitions, the potential effects of increased levels of debt financing, the imprecise nature of estimating oil and gas reserves, the availability of additional economically attractive exploration, development, and property acquisition opportunities for future growth and any necessary financings, unexpected drilling conditions and results, unsuccessful exploration and development drilling, drilling and operating service availability, the risks associated with our hedging strategy, and other such matters discussed in the "Risk Factors" section of St. Mary's 2007 Annual Report on Form 10-K/A filed with the SEC. Although St. Mary may from time to time voluntarily update its prior forward looking statements, it disclaims any commitment to do so except as required by securities laws.

INFORMATION ABOUT RESERVES AND RESOURCES

The SEC permits oil and gas companies to disclose in their filings with the SEC only proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. St. Mary uses in this press release the term "EUR" (estimated ultimate recovery), which SEC guidelines prohibit from being included in filings with the SEC. EUR means those quantities of petroleum which are estimated to be potentially recoverable from an accumulation, plus those quantities already produced therefrom. Estimates of unproved reserves which may potentially be recoverable through additional drilling or recovery techniques are by their nature more uncertain than estimates of proved reserves and accordingly are subject to substantially greater risk of not actually being realized by the Company. In addition, our production forecasts and expectations for future periods are dependent upon many assumptions, including estimates of production decline rates from existing wells and the undertaking and outcome of future drilling activity, which may be affected by significant commodity price declines or drilling cost increases.